



Denver, Colorado

Prepared for: The West Colfax Food Co-op

By: Dakota Worldwide Corporation

September 2016

CFC001

Dakota Worldwide Corp.

8200 Humboldt Avenue S., Suite 302 • Minneapolis, MN 55431

Telephone 800.475.4505

Table of Contents

	<i>Page</i>
Executive Summary	1
Three-Year Growth Pattern	2
Natural Foods Propensity	3
Trade Area Delineation.....	4
Population/Demographics.....	4
Competition	5
Market Shares by Chain.....	6
Site Evaluation/Analysis.....	9
Analysis	13
Assumptions	13
Competitor Information & Evaluation.....	14
Trade Area Data by Sector	16
Appendix	18
Current Market Reports	18
Scenarios/Projections.....	20
Definitions	28
Qualifier	29
Source Data.....	30

Executive Summary

The purpose of this market study is to determine the feasibility of opening a new Colfax Food Cooperative at one of two sites in the West Colfax Neighborhood of Denver, Colorado.

The trade area encompasses all of the West Colfax Neighborhood and extends about one half mile beyond it on all directions. The trade area is large enough to test sites located anywhere in this neighborhood. Two sizes were tested at both locations. A smaller, 2,500 sales area square foot facility containing small perishable departments was tested as well as a 4,000 sales area square foot prototype that will feature a small deli and sit-down area.

The population of this trade area is estimated to be 46,243 and it is expected to grow 5% over the next five years. The new housing that is currently under construction or in the planning and development stages is almost exclusively apartments, condominiums and town homes.

This neighborhood is gentrifying from north to south. The population north of Sloan Lake is predominantly white and has higher incomes. As one moves south, the population becomes more Hispanic with lower incomes. Overall, the trade area is 50% Hispanic, most of which are second or third generation Hispanics.

Currently, there are 11 supermarkets, supercenters or small grocery stores that were identified as competition. King Soopers, with four stores, has the largest market share with 42%. Safeway, with one store is second with a 13% market share. Third are two Walmart supercenters with 8%. Sprout's, with one facility, is fourth with 5%. Two Natural Grocers follow with 4% and last is a Save A Lot with 1%.

This trade area was analyzed for its residents' propensity to purchase natural foods. The vast majority of people living here have a below average or poor propensity to purchase natural foods. For that reason, the co-op's assortment should contain approximately 75% conventional foods and no more than 25% natural foods to be successful. Pricing must be competitive with King Soopers. All sales forecasts are contingent on these assumptions.

The first location is on the ground floor of a mixed-use development currently under construction at the intersection of Raleigh Street and Conejos Place. This site is extremely convenient for residents of the newly constructed luxury apartments that surround it but it is strictly a neighborhood location with little transient exposure and no visibility from the main roadways.

The second site is located on Colfax Avenue, the main east-west road that runs from well beyond the eastern metro all the way to Golden, Colorado. This gives the site excellent transient exposure and accessibility. The Colfax and Irving site is a far superior site than the Raleigh Street site.

The LOCUS™ model also was used to find areas of underserved supermarket potential. It identified nine possible locations. These locations are along Colfax Avenue between Knox Court and Stuart Street. Sales volumes for these sites are similar to the Colfax and Irving site.

Scenarios:

- Scenario 1A:** A new 2,500 sales area square foot Colfax Food Co-op opens near the intersection of Conejos Place and Raleigh Street at Map Key 1000.1
- Scenario 1B:** A new 4,000 sales area square foot Colfax Food Co-op opens near the intersection of Conejos Place and Raleigh Street at Map Key 1000.2
- Scenario 2A:** A new 2,500 sales area square foot Colfax Food Co-op opens near the intersection of Colfax Avenue and Irving Street at Map Key 2000.1
- Scenario 2B:** A new 4,000 sales area square foot Colfax Food Co-op opens near the intersection of Colfax Avenue and Irving Street at Map Key 2000.2

Table 1 Three-Year Growth Pattern Weekly Sales			
	1 st Year February 2019	2 nd Year February 2020	3 rd Year February 2021
Scenario 1A – Site 1000.1			
Weekly Sales	\$32,471	\$34,106	\$35,767
\$/SSF	\$12.99	\$13.64	\$14.31
Scenario 1B – Site 1000.2			
Weekly Sales	\$48,901	\$51,345	\$53,828
\$/SSF	\$12.23	\$12.84	\$13.46
Scenario 2A – Site 2000.1			
Weekly Sales	\$40,460	\$42,563	\$44,707
\$/SSF	\$16.18	\$17.03	\$17.88
Scenario 2B – Site 2000.2			
Weekly Sales	\$63,667	\$66,930	\$70,252
\$/SSF	\$15.92	\$16.73	\$17.56

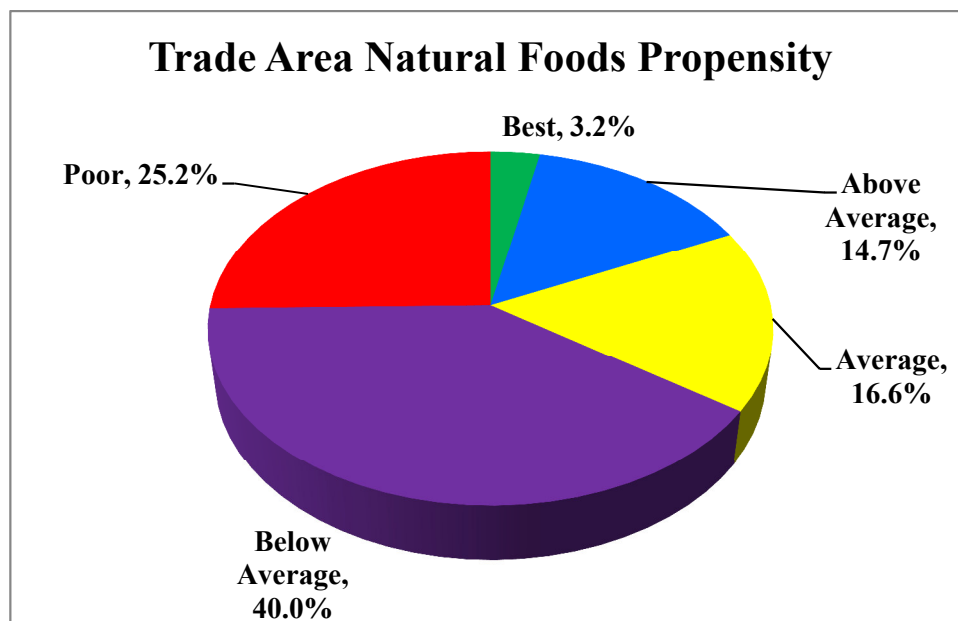
Natural Foods Propensity

Exclusive to forecasting natural food supermarket sales, heavy consideration is placed on area demographics. Natural food supermarkets attract customers with high education and income levels. This is consistent with documented demographic characteristics and traits shared by other health and natural foods shoppers. Natural foods patrons have high household incomes, low family sizes, are typically college educated, below 50 years of age and have a professional, managerial, technical, or service occupation.

The accompanying “Store and Sector Map” is color-coded to reflect natural food shopping in the identified trade area. Coded by a population sector’s Natural Foods Propensity Buying Index, the map shows where people with important natural foods traits live. The West Colfax trade area population by propensity breaks down as shown in the following table. This trade area is not well suited for a natural foods store. The co-op’s assortment must be predominantly conventional foods.

Table 2
Trade Area Population by Natural Foods Propensity

	Best Score and above	Above Average Score	Average Score	Below Average Score	Poor and below
Population	1,595	6,792	7,696	18,491	11,670
Percentage	3.2%	14.7%	16.6%	40.0%	25.2%



Trade Area Delineation

The trade area is determined by the existing road network, natural boundaries, shopping patterns and the sites' relationship to competition. The West Colfax trade area is approximately 2.5 miles north to south and east to west. Its northern border is 32nd Avenue, the southern border is 6th Avenue, the eastern border is Interstate 25 and the western border is Harlan Street. An estimated 85% to 90% of sales from the co-ops at the proposed sites will come from within this defined trade area.

Population/Demographics

Table 3 Population & Potential Summary September 2018	
Potential	\$2,222,095
P.C.E.	\$48.05
2010 Census Population	41,121
2016 Estimated Population	46,243
2021 Estimated Population	48,534

The current population in the trade area is 46,243 people and the average weekly per capita supermarket expenditure is \$48.05, ranging from a high of \$58.21 in Sector 18 to a low of \$30.46 in Sector 34. The total potential is \$2,222,095 and the 11 facilities identified are receiving \$1,644,750 or a 74.02% market share. Total float, which consists of minor facilities and leakage, is \$577,345 or 25.98%.

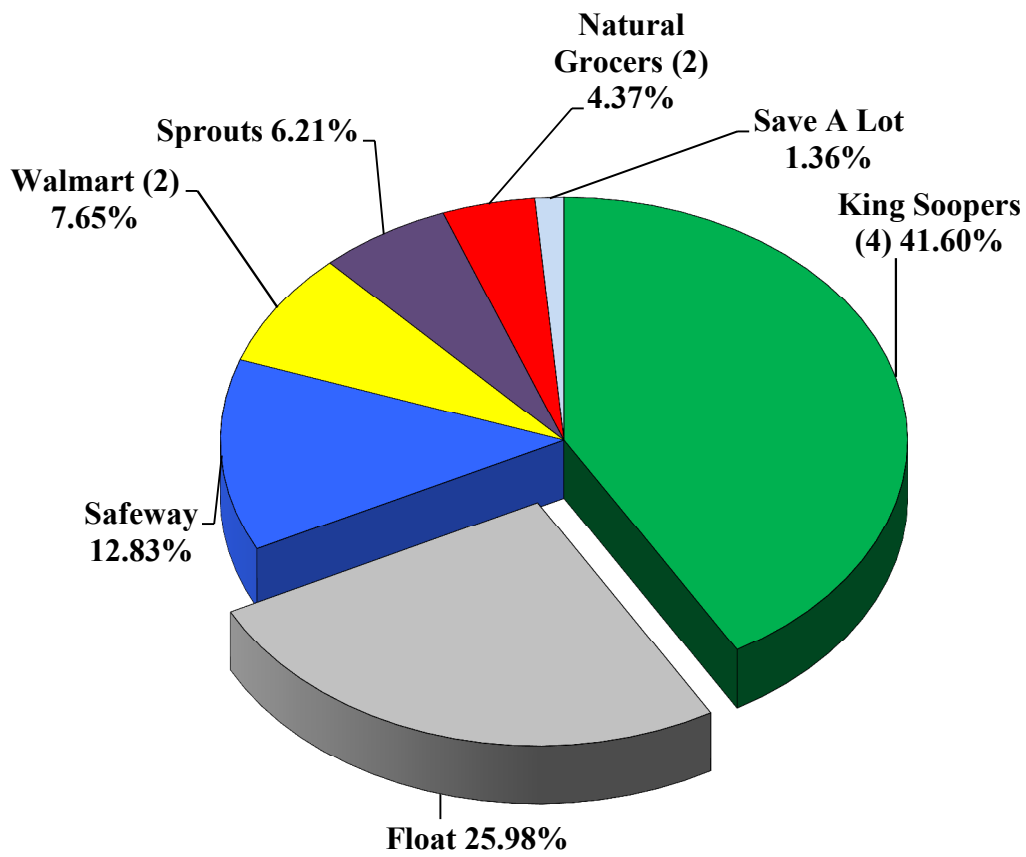
The 2016 estimated median income for the trade area is \$47,658 with an average household size of 2.37 people. The demographic makeup is 41.6% white, 3.6% black, 50.3% Hispanic and 1.8% Asian. Additionally, 27.5% of the residents are under the age of 18, 10.4% are over the age of 65.

Competition

Table 4 Facility Profile		September 2016
Number of Facilities – Total		11
Potential		\$2,222,095
Facility Sales Within Trade Area		\$1,644,750
Facility Percent		74.02%
Float		\$577,345
Float Percent		25.98
Highest Volume Facility		
King Soopers - Map Key 3		\$900,000
Largest Facility		
King Soopers - Map Key 3		52,000ssf
Sales Per Sales Area Square Foot – Average		
High- King Soopers - Map Key 10		\$19.06
Low - Save A Lot - Map Key 7		\$35.56
		\$5.50

Combined the 11 facilities contain a total of 294,900 sales area square feet with total sales of \$5,620,000. The facilities average 26,809 sales area square feet and \$510,909 in sales. The average sales per sales area square foot are \$19.06. There are 6.38 sales area square feet per capita, 0.16 persons per sales area square foot and 4,204 persons per facility.

Market Share by Chain



Chains

King Soopers

4 Facilities

152,500 square feet

41.60% Market Share

The average weekly sales per store for this chain are \$807,500 or \$14.58 per square foot. These stores are all very well merchandised and have a pleasant décor. Estimated sales do not include gasoline sales.

Safeway

1 Facility

26,000 square feet

12.83% Market Share

The average weekly sales for this store are \$475,000 or \$13.19 per square foot. The store is up to date and well operated. Safeway offers the largest selection of organic produce.

Walmart

2 Facilities

74,000 square feet

7.65% Market Share

The average weekly sales per store for this chain are \$550,000 or \$10.38 per square foot. Initially when the Colfax Avenue supercenter was opened, Walmart closed the 5th Avenue facility. Sales at the Colfax store became so high that it was difficult to manage so the 5th Avenue facility was turned into a small supercenter and re-opened.

Sprouts

1 Facility

20,000 square feet

6.21% Market Share

The average weekly sales for this store are \$460,000 or \$15.49 per square foot. This is a natural and organic small food store that features an attractive deli and a large vitamin and supplement assortment. It is one of the highest volume stores in the region.

Natural Grocers

2 Facilities

12,400 square feet

4.37% Market Share

The average weekly sales per store for this chain are \$150,000 or \$16.95 per square foot. These natural food stores feature large vitamin and supplement assortments with small perishable departments and very little fresh meat.

Save A Lot

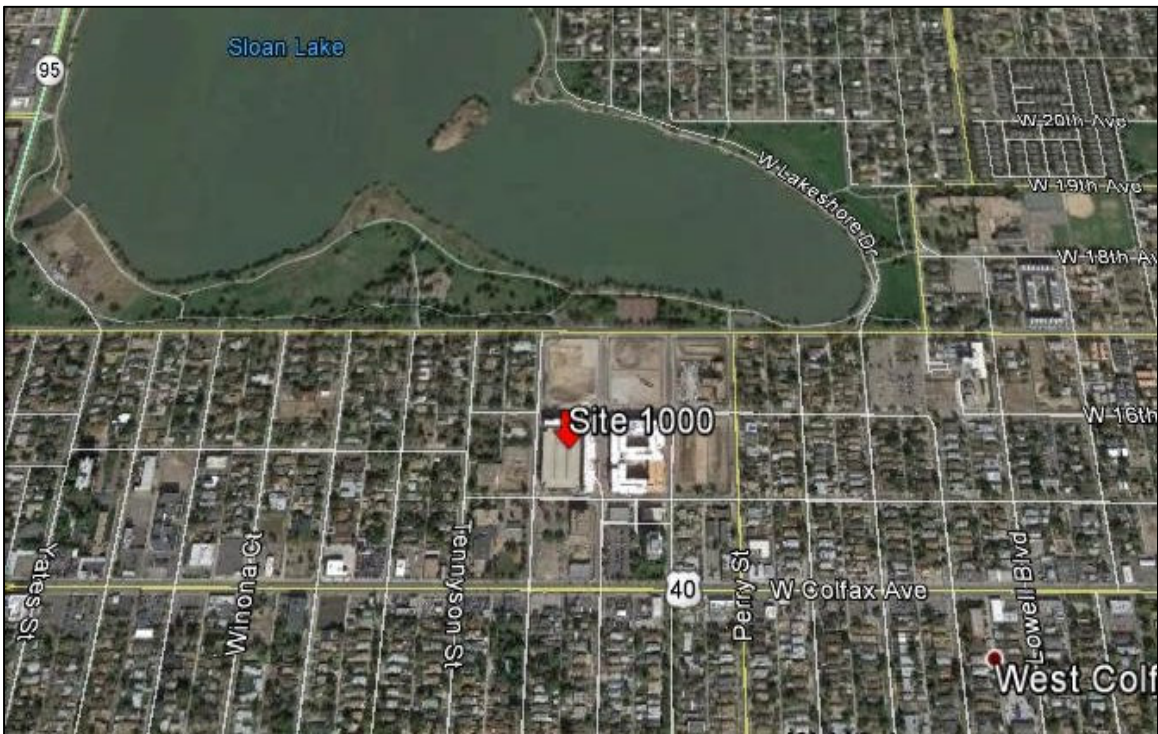
1 Facility

10,000 square feet

1.36% Market Share

The average weekly sales for this store are \$55,000 or \$2.62 per square foot. This limited assortment store features predominantly private label, low price groceries. A good portion of its sales come from EBT customers.

Site 1000
Raleigh Street and Conejos Place



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Table 5
Site Evaluation
Site 1000
Raleigh Street and Conejos Place

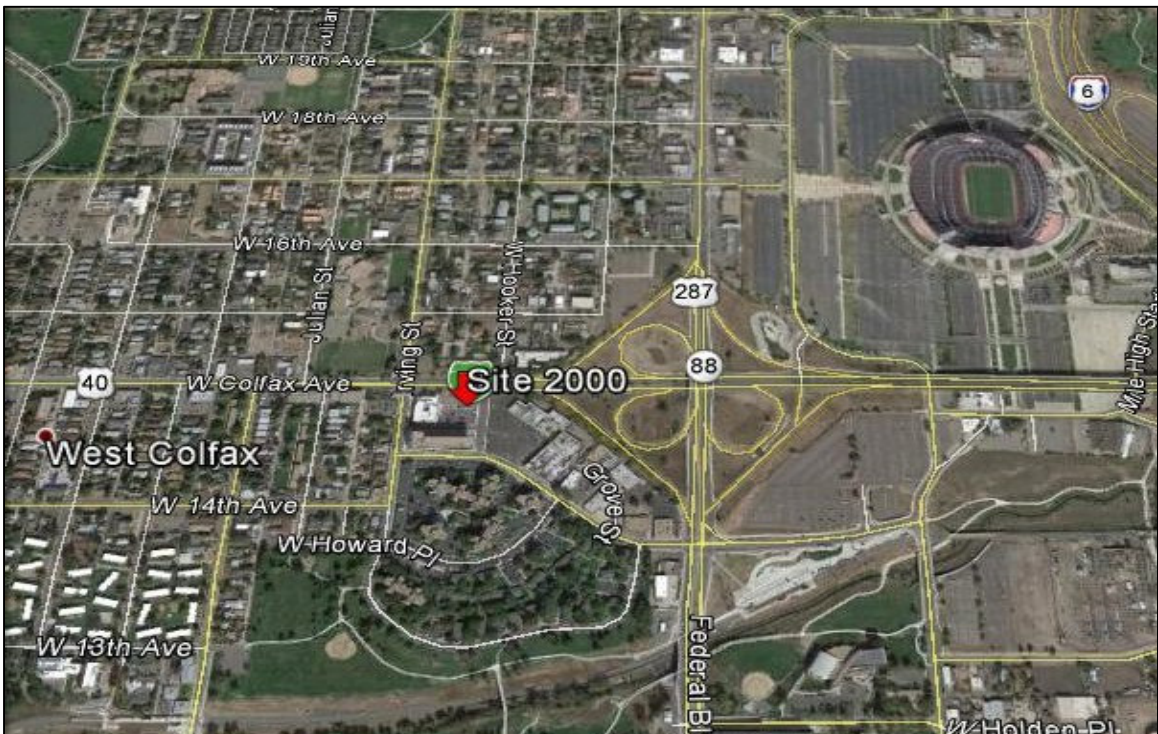
Total Area	Approximately 3,600 or 5,700 square feet
Sales Area	2,500 or 4,000 square feet
Parking	Assumed adequate
Adjacent Land Use	Mixed use residential, retail, office new development
Road Network	Raleigh Street: 2 lanes without turn lanes 25MPH Conejos Place: 2 lanes without turn lanes 25MPH
Traffic Control	Four way stop at the intersection of Raleigh and Conejos Signal light at the intersection of Colfax and Raleigh (1 block south)
Visibility	Fair
Accessibility	Excellent
Ingress/Egress	Assumed Excellent
Transient Exposure	Fair
Workplace Employees within ½ Mile	2,589

Analysis

This site is retail space on the ground floor of a mixed use development that includes restaurants, retail, offices and luxury apartments. Its proximity to Colfax Avenue gives it excellent accessibility. The increase in population within a mile of this site is also a positive factor.

The foremost drawback to this site is that it lacks transient exposure because it is located on a secondary, as opposed to a primary roadway. The only transient exposure is provided by the adjacent restaurants and shops. Further, the workplace population within walking distance of the site is relatively small and does not provide much additional sales potential. This site is rated fair.

Site 2000 Colfax Avenue and Irving Street



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Table 6 Site Evaluation Site 2000 Colfax Avenue and Irving Street	
Total Area	Approximately 3,600 or 5,700 square feet
Sales Area	2,500 or 4,000 square feet
Parking	Assumed adequate
Adjacent Land Use	Commercial and residential
Road Network	Colfax Avenue: 4 lanes with turn lanes 35 MPH Irving Street: 2 lanes without turn lanes 25 MPH
Traffic Control	Signal light at the intersection of Colfax and Irving
Visibility	Excellent
Accessibility	Excellent
Ingress/Egress	Excellent
Transient Exposure	Excellent
Workplace Employees within ½ Mile	3,417

Analysis

This site will be ground-up new construction. Its location on Colfax Avenue, one the busiest surface streets in Denver, provides excellent transient exposure as does its adjacency to the Public Library. It is easily accessible and visible from all directions. Overall there are no drawbacks to this site. It is rated excellent.

Analysis

Assumptions

The sales projections presented in this study are based on the following key assumptions:

- Population in the trade area will be at or near levels predicted by the local governments and Synergos Technologies.
- The sales projections are expressed in constant 2016 dollars, with no adjustment made for inflation.
- Sales projections are relative to a February 2018 opening.
- There are no competitive market changes beyond those that are presented in this study.
- Pricing will be competitive in the marketplace.
- The product mix will be approximately 75% conventional foods and 25% natural foods.
- The new co-op will be managed by an experienced co-op general manager.
- An extensive membership drive will be conducted.
- The new co-op will be heavily promoted in its first year of operations.

Competitive Information and Evaluation

Map Key	Name Address	Total Area	Sales Area	Weekly Volume	Check Outs	Prim Park	Ext Ops	Int Cond	Int Cond	Meat	Pro-duce	Deli	Bak-ery	Natrl Food	Adjacent Retail	Store Hours
1	Walmart SC Wadsworth/5th, Lakewood	40,000	28,000	\$500,000	18	5	5	5	5	4	4	4	4	2	Freestanding	5-Midnight Daily
2	Walmart SC Colfax/Wadsworth, Lakewood	66,000	46,000	\$600,000	30	7	7	6	6	4	4	4	4	2	Freestanding	6-Midnight Daily
3	King Soopers Sheridan/17th, Edgewater	76,000	52,000	\$900,000	19	6	6	7	8	7	8	5	5	5	Target, Shops	5-Midnight Daily
4	King Soopers Sheridan/38th, Wheatridge	57,700	39,000	\$800,000	14	4	5	5	5	5	5	5	5	5	Small Shops	5-11 Daily
5	Sprouts 38th/Winona, Denver	29,700	20,000	\$460,000	9	4	6	6	6	6	7	7	4	8	Freestanding	7-10 Daily
6	Natural Grocers Tennyson/38th, Denver	10,000	7,000	\$160,000	5	3	6	6	4	4	4	4	0	7	Freestanding	8-9:04 Mon- Sat Sun 8:30-7:35
7	Save A Lot 38th Ave/Bryant, Denver	21,000	10,000	\$55,000	4	5	5	4	5	4	4	0	0	0	Freestanding	8-9 Daily
8	Safeway Federal/26th, Denver	36,000	26,000	\$475,000	11	4	4	6	5	6	6	6	5	4	Freestanding	6-11 Daily

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Map Key	Name Address	Total Area	Sales Area	Weekly Volume	Check Outs	Prim Park	Ops	Ext Cond	Int Cond	Meat	Pro-duce	Deli	Bak-ery	Natrl Food	Adjacent Retail	Store Hours
9	Natural Grocers 15th/Platt, Denver	7,700	5,400	\$140,000	5	3	5	5	5	3	3	3	0	7	Central Business District	8-9:04 Mon-Sat Sun 8:30-7:35
10	King Soopers Chestnut/20th, Denver	32,100	22,500	\$800,000	14	3	7	7	8	7	7	8	6	5	Central Business District	5-Midnight Daily
11	King Soopers Speer/13th, Denver	55,700	39,000	\$730,000	18	4	5	5	5	5	5	5	5	5	Small Shops	5-Midnight Daily
Totals:		431,900	294,900	\$5,620,000												
Averages:		39,264	26,809													
\$/SF:		13.01	19.06													
Total Stores = 11																

Evaluation Ratings: 0-N/A; 1-Poor;5-Average;10-Excellent

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**Trade Area Data by Sector
Denver, Colorado
September 2016**

Sector	Census Tract	2010 Pop.	Est. 2016 Pop.	% Growth 2010-2016	Est. 2021 Pop.	% Growth 2016-2021	2016 % College	2016 % White	2016 % Black	2016 % Asian	2016 % Other	2016 % Hisp.	2016 % < 18	2016 % > 65	2016 Avg. Hhld Size	2016 Median Income
1	107.02	799	774	-3.1	770	-0.5	0.0	69.9	1.0	1.3	3.8	24.0	20.3	18.3	2.13	\$41,341
2	107.02	1,065	1,214	14.0	1,244	2.5	0.0	41.4	1.1	1.8	2.4	53.4	30.6	6.5	2.29	\$37,659
3	3.02	790	801	1.4	805	0.5	0.0	81.8	1.0	1.2	1.9	14.1	22.7	11.1	2.04	\$86,461
4	5.01	991	1,081	9.1	1,080	-0.1	0.0	73.5	1.3	1.7	1.9	21.6	22.4	13.4	2.01	\$84,452
5	3.03	830	1,160	39.8	1,198	3.3	0.0	79.7	4.9	1.4	1.8	12.1	23.9	14.0	2.03	\$95,661
6	5.02	1,239	1,268	2.3	1,270	0.2	0.0	46.0	2.7	9.9	4.9	36.5	26.6	29.4	1.84	\$17,402
7	3.03	948	1,085	14.5	1,097	1.1	0.0	81.0	1.4	2.2	2.4	13.1	22.3	12.8	2.01	\$58,945
8	5.02	1,105	1,218	10.2	1,236	1.5	0.0	50.4	9.1	1.4	2.7	36.3	25.4	10.0	2.18	\$43,774
9	4.02	634	705	11.2	731	3.7	0.0	60.0	2.8	1.0	2.1	34.0	23.7	7.2	1.78	\$46,403
10	4.02	1,241	1,625	30.9	1,640	0.9	0.0	67.0	2.3	1.4	2.1	27.1	20.5	7.8	1.84	\$73,772
11	11.02	276	728	163.8	738	1.4	0.0	68.4	1.2	2.7	2.8	24.9	23.4	5.7	1.59	\$90,941
12	6.00	819	1,065	30.0	1,074	0.8	0.0	48.1	3.5	1.5	2.8	44.1	24.4	6.5	2.18	\$55,919
13	6.00	1,226	1,438	17.3	1,472	2.4	0.0	32.9	1.1	1.0	2.8	62.2	25.8	5.0	2.36	\$49,918
14	6.00	507	795	56.8	819	3.0	0.0	38.6	2.0	1.2	2.8	55.4	25.3	5.6	1.84	\$52,589
15	5.02	877	976	11.3	984	0.8	0.0	50.4	3.0	2.3	3.4	41.0	25.2	12.4	2.37	\$76,947
16	5.02	1,225	1,366	11.5	1,379	1.0	0.0	63.3	3.4	1.5	2.4	29.4	25.1	9.7	2.08	\$71,974
17	5.02	949	1,022	7.7	1,024	0.2	0.0	61.5	0.7	2.9	2.2	32.7	23.3	11.3	2.07	\$80,155
18	5.01	823	867	5.3	870	0.3	0.0	73.9	0.2	0.9	2.4	22.5	21.8	15.1	2.02	\$86,403
19	113.00	725	761	5.0	785	3.2	0.0	78.2	0.4	0.5	2.2	18.7	23.1	13.5	2.10	\$54,735
20	113.00	815	836	2.6	856	2.4	0.0	56.0	1.6	0.5	3.8	38.2	26.1	16.6	2.05	\$20,685
21	114.01	737	814	10.4	844	3.7	0.0	39.9	3.6	1.0	2.4	53.0	27.2	10.8	2.35	\$32,545
22	114.01	1,131	1,163	2.8	1,186	2.0	0.0	39.9	3.6	1.0	2.4	53.0	27.2	10.8	2.21	\$32,545
23	115.50	756	887	17.3	913	2.9	0.0	49.8	1.9	2.1	3.7	42.5	24.3	9.4	2.34	\$42,459

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Sector	Census Tract	2010 Pop.	Est. 2016 Pop.	% Growth 2010-2016	Est. 2021 Pop.	% Growth 2016-2021	2016 % College	2016 % White	2016 % Black	2016 % Asian	2016 % Other	2016 % Hisp.	2016 % < 18	2016 % > 65	2016 Avg. Hhld Size	2016 Median Income
24	7.01	1,455	1,643	12.9	1,683	2.4	0.0	31.0	3.2	1.5	4.3	60.1	29.8	8.8	2.86	\$25,952
25	7.01	1,451	1,551	6.9	1,930	24.4	0.0	47.9	3.5	0.5	3.1	45.0	24.2	25.2	1.79	\$23,153
26	7.01	1,156	1,239	7.2	1,240	0.1	0.0	40.0	2.2	1.2	2.3	54.4	28.9	10.9	2.77	\$56,071
27	7.02	1,157	1,235	6.7	1,263	2.3	0.0	17.9	15.9	1.5	2.4	62.4	33.9	8.2	2.64	\$10,963
28	7.02	818	880	7.6	888	0.9	0.0	31.9	3.7	1.1	2.9	60.5	26.9	8.0	3.01	\$48,814
29	7.02	793	839	5.8	1,150	37.1	0.0	36.0	0.8	1.9	2.5	58.8	27.1	10.1	2.68	\$32,039
30	7.02	971	1,270	30.8	1,290	1.6	0.0	14.6	3.5	0.4	2.1	79.4	31.7	6.9	3.14	\$48,024
31	7.02	1,735	2,024	16.7	2,600	28.5	0.0	25.4	3.8	3.0	3.8	64.0	30.1	4.5	2.67	\$34,840
32	8.00	0	134	0.0	135	0.7	0.0	8.0	24.8	8.7	5.4	53.0	49.2	4.4	3.09	\$8,901
33	8.00	513	626	22.0	875	39.8	0.0	8.8	25.3	8.4	5.3	52.2	48.9	4.8	3.00	\$9,220
34	8.00	897	811	-9.6	1,050	29.5	0.0	8.0	24.8	8.7	5.4	53.0	49.2	4.4	3.21	\$8,901
35	9.05	1,099	1,177	7.1	1,180	0.3	0.0	22.9	2.0	0.5	1.9	72.6	27.5	9.2	3.28	\$44,497
36	9.05	840	894	6.4	901	0.8	0.0	14.9	0.6	0.4	0.6	83.6	29.5	9.6	3.18	\$44,630
37	9.05	1,049	1,149	9.5	1,167	1.6	0.0	14.4	1.2	0.5	2.4	81.4	30.4	8.6	3.26	\$28,186
38	9.05	643	684	6.4	696	1.8	0.0	29.5	1.5	0.4	1.8	66.8	23.7	10.7	2.95	\$29,882
39	9.04	405	355	-12.3	350	-1.4	0.0	18.2	1.2	0.6	3.2	76.7	29.5	7.6	3.24	\$32,498
40	9.04	1,295	1,384	6.9	1,385	0.1	0.0	15.5	1.3	0.7	2.6	80.0	31.6	8.0	3.48	\$39,601
41	9.04	1,460	1,562	7.0	1,565	0.2	0.0	20.6	4.0	1.7	4.1	69.7	29.3	14.9	2.48	\$19,355
42	9.04	1,614	1,729	7.1	1,730	0.1	0.0	14.5	1.2	0.6	0.8	83.0	31.8	5.1	3.40	\$49,788
43	9.04	353	449	27.2	450	0.2	0.0	18.2	1.2	0.6	3.2	76.7	29.5	7.6	2.95	\$32,498
44	115.50	909	959	5.5	991	3.3	0.0	44.6	1.4	0.9	4.1	49.0	29.6	10.7	2.66	\$27,256
Totals:		41,121	46,243		48,534											
Averages:				12.5		5.0	0.0	41.6	3.6	1.8	2.8	50.3	27.5	10.4	2.37	\$47,658

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**CURRENT MARKET SIMULATION
TRADE AREA TOTALS**

Trade Area	Sep 2016
Population	46,243
Potential	2,222,095
Facility Volume	1,644,750
Float Amount	577,345
Float Percent	25.98%
P.C.E.	48.05

STORES IN OPERATION

Facility Map Key	Name	---Sep 2016 --- Volume /SqFt	Sales Area	Draw	Image
1	Walmart SC	500,000 17.86	28,000	10	70
2	Walmart SC	600,000 13.04	46,000	20	65
3	King Soopers	900,000 17.31	52,000	55	85
4	King Soopers	800,000 20.51	39,000	25	111
5	Sprouts	460,000 23.00	20,000	30	118
6	Natural Grocers	160,000 22.86	7,000	30	117
7	Save A Lot	55,000 5.50	10,000	55	61
8	Safeway	475,000 18.27	26,000	60	97
9	Natural Grocers	140,000 25.93	5,400	35	122
10	King Soopers	800,000 35.56	22,500	15	152
11	King Soopers	730,000 18.72	39,000	15	102
Total		5,620,000	294,900		
Average		510,909 19.06	26,809		100

CHAIN SUMMARY

Chain Name	# of Facs	-----Chain Volume	Average	Total Size	Average	Vol/ SqFt	Avg Image	Market Share
*King Soopers	4	3,230,000	807,500	152,500	38,125	21.18	112	41.60
Safeway	1	475,000	475,000	26,000	26,000	18.27	97	12.83
*Walmart	2	1,100,000	550,000	74,000	37,000	14.86	68	7.65
Sprouts	1	460,000	460,000	20,000	20,000	23.00	118	6.21
Natural Grocers	2	300,000	150,000	12,400	6,200	24.19	119	4.37
Save A Lot	1	55,000	55,000	10,000	10,000	5.50	61	1.36
Totals	11	5,620,000		294,900				74.02
Averages			510,909		26,809	19.06		

* Chain includes facilities with draw less than 29.99

SECTOR SUMMARY

Sector Map Key	-----Sep 2016-----		Potential	-----Float-----	
	Population	PCE		Percent	Amount
1	774	51.84	40,121	24.97	10,018
2	1,214	49.82	60,483	24.93	15,078
3	801	58.07	46,514	24.79	11,530
4	1,081	58.02	62,720	24.77	15,535
5	1,160	57.33	66,503	27.87	18,533
6	1,268	31.34	39,739	27.91	11,091
7	1,085	51.78	56,181	27.97	15,715
8	1,218	50.19	61,131	27.92	17,068
9	705	50.60	35,673	28.18	10,051
10	1,625	55.74	90,578	28.23	25,568
11	728	57.99	42,217	28.38	11,982
12	1,065	50.02	53,271	28.03	14,933
13	1,438	50.62	72,792	27.99	20,376
14	795	51.66	41,070	28.04	11,517
15	976	54.45	53,143	24.90	13,232
16	1,366	53.63	73,259	27.94	20,469
17	1,022	56.96	58,213	24.89	14,488
18	867	58.21	50,468	24.85	12,543
19	761	52.29	39,793	24.91	9,914
20	836	44.22	36,967	24.94	9,220
21	814	47.84	38,938	25.00	9,733
22	1,163	48.60	56,521	25.07	14,170
23	887	50.90	45,151	25.19	11,374
24	1,643	42.96	70,583	25.15	17,750
25	1,551	47.09	73,039	25.04	18,291
26	1,239	51.69	64,041	25.17	16,116
27	1,235	34.44	42,531	25.18	10,708
28	880	49.05	43,166	25.05	10,814
29	839	46.03	38,619	24.94	9,633
30	1,270	48.31	61,348	24.97	15,319
31	2,024	46.99	95,115	25.12	23,895
32	134	30.79	4,126	25.10	1,036
33	626	31.42	19,669	25.33	4,982
34	811	30.46	24,707	25.64	6,335
35	1,177	46.92	55,229	25.68	14,185
36	894	47.37	42,347	25.55	10,818
37	1,149	42.27	48,573	25.45	12,360
38	684	44.10	30,163	25.36	7,648
39	355	43.83	15,558	25.33	3,940
40	1,384	44.95	62,207	25.61	15,929
41	1,562	41.36	64,608	25.51	16,480
42	1,729	47.59	82,290	25.51	20,995
43	449	44.99	20,201	25.30	5,111
44	959	44.35	42,532	25.54	10,861
Total	46,243		2,222,095		577,345
Average		48.05		25.98	

**PROJECTED MARKETPLACE
TRADE AREA TOTALS**

Trade Area	Sep 2016	Feb 2019	% Change
Population	46,243	47,412	2.53
Potential	2,222,095	2,273,914	2.33
Facility Volume	1,644,750	1,683,331	2.35
Float Amount	577,345	590,583	2.29
Float Percent	25.98	25.97	
P.C.E.	48.05	47.96	-.19

**SCENARIO 1A
A NEW 2,500 SALES AREA SQUARE FOOT COLFAX FOOD CO-OP OPENS
AT THE INTERSECTION OF RALEIGH STREET AND CONEJOS PLACE**

STORES IN OPERATION

Facility Map Key	Name	Forecast		Current		T.A. Diff.	% Chg	Fcst Sales Area	Draw	Image
		---Feb 2019---	/SqFt	----Sep 2016----	/SqFt					
1	Walmart SC			500,000	17.86	-259	0	28,000	10	70
2	Walmart SC			600,000	13.04	-19	0	46,000	20	65
3	King Soopers	902,972	17.36	900,000	17.31	1,635	0	52,000	55	85
4	King Soopers			800,000	20.51	756	0	39,000	25	111
5	Sprouts	460,582	23.03	460,000	23.00	582	0	20,000	30	118
6	Natural Grocers	160,216	22.89	160,000	22.86	216	0	7,000	30	117
7	Save A Lot	55,378	5.54	55,000	5.50	208	1	10,000	55	61
8	Safeway	479,014	18.42	475,000	18.27	2,408	1	26,000	60	97
9	Natural Grocers	140,499	26.02	140,000	25.93	499	0	5,400	35	122
10	King Soopers			800,000	35.56	1,289	0	22,500	15	152
11	King Soopers			730,000	18.72	2,042	0	39,000	15	102
1000.1	Colfax Food Coop	32,471	12.99	0	0.00	29,224	0	2,500	90	75
Totals		* 5,664,941		5,620,000		38,581				
Averages		472,078	19.05	510,909	19.06			24,783		98

The low draw for forecast volumes is 29.99

* Forecast total includes low draw stores whose volumes are not shown.

THREE-YEAR GROWTH PATTERN - MAP KEY 1000.1

Facility Map Keys	Name	Forecast		Forecast		Forecast		Draw	Image
		---Feb 2019---	/SqFt	---Feb 2020---	/SqFt	---Feb 2021---	/SqFt		
1000.1	Colfax Food Coop	32,471	12.99	34,106	13.64	35,767	14.31	90	75

Inflation is 0%

CHAIN SUMMARY

Chain Name	# of Facs	Volume	Average	Chain Total Size	Average	Vol/ SqFt	Avg Image	Market Share
*King Soopers	4	3,237,059	809,265	152,500	38,125	21.23	112	40.91
Safeway	1	479,014	479,014	26,000	26,000	18.42	97	12.64
*Walmart	2	1,099,722	549,861	74,000	37,000	14.86	68	7.46
Sprouts	1	460,582	460,582	20,000	20,000	23.03	118	6.09
Natural Grocers	2	300,715	150,358	12,400	6,200	24.25	119	4.30
Save A Lot	1	55,378	55,378	10,000	10,000	5.54	61	1.34
Colfax Food Coop	1	32,471	32,471	2,500	2,500	12.99	75	1.29
Totals	12	5,664,941		297,400				74.03
Averages			472,078		24,783	19.05		

* Chain includes facilities with draw less than 29.99

STORE VOLUME REPORT BY SECTOR - MAP KEY 1000.1

Facility Map Key = 1000.1 Feb 2019 Draw = 90

Market Share Cutoff = 2

Sector Map Key	Sector Share	Expected Volume	Population	Potential	Float	Miles
25	2.06	1,679	1,734	81,656	25.04	.23
26	2.43	1,555	1,239	64,041	25.17	.25
27	2.38	1,023	1,249	43,013	25.18	.43
28	2.28	991	888	43,558	25.05	.34
35	2.22	1,228	1,179	55,323	25.68	1.05
36	2.23	948	897	42,489	25.55	.92
37	2.26	1,107	1,158	48,954	25.45	.81
38	2.21	671	690	30,427	25.36	.75
39	2.32	358	353	15,471	25.33	.51
40	2.26	1,408	1,384	62,207	25.61	.84
41	2.03	1,314	1,564	64,691	25.51	.79
Sub Total	2.23	12,282	12,335	551,831	25.35	
Other Sectors	.98	16,942	35,077	1,722,083	26.17	
TA Total	1.29	29,224	47,412	2,273,914	25.97	
Outside TA		3,247				
Sales Forecast		32,471				

SCENARIO 1B

A NEW 4,000 SALES AREA SQUARE FOOT COLFAX FOOD CO-OP OPENS AT THE INTERSECTION OF RALEIGH STREET AND CONEJOS PLACE

STORES IN OPERATION

Facility Map Key	Name	Forecast ---Feb 2019 ---		Current ----Sep 2016 ----		T.A. Diff.	%	Fcst Sales Area	Draw	Image
		Volume	/SqFt	Volume	/SqFt					
1	Walmart SC			500,000	17.86	-849	0	28,000	10	70
2	Walmart SC			600,000	13.04	-1,245	0	46,000	20	65
3	King Soopers	893,229	17.18	900,000	17.31	-3,724	-1	52,000	55	85
4	King Soopers			800,000	20.51	-663	0	39,000	25	111
5	Sprouts	459,587	22.98	460,000	23.00	-413	0	20,000	30	118
6	Natural Grocers	159,875	22.84	160,000	22.86	-125	0	7,000	30	117
7	Save A Lot	55,033	5.50	55,000	5.50	18	0	10,000	55	61
8	Safeway	475,097	18.27	475,000	18.27	58	0	26,000	60	97
9	Natural Grocers	140,130	25.95	140,000	25.93	130	0	5,400	35	122
10	King Soopers			800,000	35.56	467	0	22,500	15	152
11	King Soopers			730,000	18.72	916	0	39,000	15	102
1000.2	Colfax Food Coop	48,901	12.23	0	0.00	44,011	0	4,000	90	75
Totals		* 5,660,478		5,620,000		38,581				
Averages		471,707	18.94	510,909	19.06			24,908		98

The low draw for forecast volumes is 29.99

* Forecast total includes low draw stores whose volumes are not shown.

THREE-YEAR GROWTH PATTERN - MAP KEY 1000.2

Facility Map Keys	Name	Forecast ---Feb 2019---		Forecast ---Feb 2020---		Forecast ---Feb 2021---		Draw	Image
		Volume	/SqFt	Volume	/SqFt	Volume	/SqFt		
1000.2	Colfax Food Coop	48,901	12.23	51,345	12.84	53,828	13.46	90	75

Inflation is 0%

CHAIN SUMMARY

Chain Name	# of Facs	-----Chain Total-----				Vol/ SqFt	Avg Image	Market Share
		Volume	Average	Size	Average			
*King Soopers	4	3,223,949	805,987	152,500	38,125	21.14	112	40.52
Safeway	1	475,097	475,097	26,000	26,000	18.27	97	12.54
*Walmart	2	1,097,906	548,953	74,000	37,000	14.84	68	7.38
Sprouts	1	459,587	459,587	20,000	20,000	22.98	118	6.05
Natural Grocers	2	300,004	150,002	12,400	6,200	24.19	119	4.27
Colfax Food Coop	1	48,901	48,901	4,000	4,000	12.23	75	1.94
Save A Lot	1	55,033	55,033	10,000	10,000	5.50	61	1.33
Totals	12	5,660,478		298,900				74.03
Averages			471,706		24,908	18.94		

* Chain includes facilities with draw less than 29.99

Dakota Worldwide Corp.

8200 Humboldt Avenue S., Suite 302 • Minneapolis, MN 55431
Telephone 800.475.4505

STORE VOLUME REPORT BY SECTOR - MAP KEY 1000.2

Facility Map Key = 1000.2

Feb 2019

Draw = 90

Market Share Cutoff = 2

Sector Map Key	Sector Share	Expected Volume	Population	Potential	Float	Miles
15	2.00	1,074	984	53,579	24.90	.79
24	2.81	2,008	1,662	71,399	25.15	.47
25	3.21	2,618	1,734	81,656	25.04	.23
26	3.77	2,415	1,239	64,041	25.17	.25
27	3.66	1,574	1,249	43,013	25.18	.43
28	3.52	1,534	888	43,558	25.05	.34
29	3.05	1,388	989	45,523	24.94	.40
30	2.26	1,395	1,280	61,831	24.97	.76
31	2.85	3,083	2,302	108,179	25.12	.68
34	2.08	588	927	28,240	25.64	1.35
35	3.28	1,813	1,179	55,323	25.68	1.05
36	3.33	1,413	897	42,489	25.55	.92
37	3.40	1,665	1,158	48,954	25.45	.81
38	3.33	1,014	690	30,427	25.36	.75
39	3.55	549	353	15,471	25.33	.51
40	3.39	2,111	1,384	62,207	25.61	.84
41	3.06	1,982	1,564	64,691	25.51	.79
42	2.57	2,119	1,729	82,290	25.51	.89
43	2.72	550	449	20,201	25.30	.66
Sub Total	3.02	30,893	22,657	1,023,072	25.27	
Other Sectors	1.05	13,117	24,755	1,250,841	26.55	
TA Total	1.94	44,011	47,412	2,273,914	25.97	
Outside TA		4,890				
Sales Forecast		48,901				

SCENARIO 2A

A NEW 2,500 SALES AREA SQUARE FOOT COLFAX FOOD CO-OP OPENS NEAR THE INTERSECTION OF COLFAX AVENUE AND IRVING STREET

STORES IN OPERATION

Facility Map Key	Name	Forecast ---Feb 2019 ---		Current ----Sep 2016 ----		T.A. Diff.	%	Fcst Sales Area	Draw	Image
		Volume	/SqFt	Volume	/SqFt					
1	Walmart SC			500,000	17.86	-257	0	28,000	10	70
2	Walmart SC			600,000	13.04	38	0	46,000	20	65
3	King Soopers	902,211	17.35	900,000	17.31	1,216	0	52,000	55	85
4	King Soopers			800,000	20.51	312	0	39,000	25	111
5	Sprouts	460,197	23.01	460,000	23.00	197	0	20,000	30	118
6	Natural Grocers	160,062	22.87	160,000	22.86	62	0	7,000	30	117
7	Save A Lot	55,103	5.51	55,000	5.50	57	0	10,000	55	61
8	Safeway	476,364	18.32	475,000	18.27	818	0	26,000	60	97
9	Natural Grocers	140,194	25.96	140,000	25.93	194	0	5,400	35	122
10	King Soopers			800,000	35.56	499	0	22,500	15	152
11	King Soopers			730,000	18.72	1,054	0	39,000	15	102
2000.1	Colfax Food Coop	40,460	16.18	0	0.00	34,391	0	2,500	85	85
Totals		* 5,666,237		5,620,000		38,581				
Averages		472,186	19.05	510,909	19.06			24,783		99

The low draw for forecast volumes is 29.99

* Forecast total includes low draw stores whose volumes are not shown.

THREE-YEAR GROWTH PATTERN - MAP KEY 2000.1

Facility Map Keys	Name	Forecast ---Feb 2019---		Forecast ---Feb 2020---		Forecast ---Feb 2021---		Draw	Image
		Volume	/SqFt	Volume	/SqFt	Volume	/SqFt		
2000.1	Colfax Food Coop	40,460	16.18	42,563	17.03	44,707	17.88	85	85

Inflation is 0%

CHAIN SUMMARY

Chain Name	# of Facs	-----Chain Total-----				Vol/ SqFt	Avg Image	Market Share
		Volume	Average	Size	Average			
*King Soopers	4	3,234,076	808,519	152,500	38,125	21.21	112	40.79
Safeway	1	476,364	476,364	26,000	26,000	18.32	97	12.57
*Walmart	2	1,099,781	549,891	74,000	37,000	14.86	68	7.47
Sprouts	1	460,197	460,197	20,000	20,000	23.01	118	6.08
Natural Grocers	2	300,256	150,128	12,400	6,200	24.21	119	4.28
Colfax Food Coop	1	40,460	40,460	2,500	2,500	16.18	85	1.51
Save A Lot	1	55,103	55,103	10,000	10,000	5.51	61	1.33
Totals	12	5,666,237		297,400				74.03
Averages			472,186		24,783	19.05		

* Chain includes facilities with draw less than 29.99

Dakota Worldwide Corp.

8200 Humboldt Avenue S., Suite 302 • Minneapolis, MN 55431
Telephone 800.475.4505

STORE VOLUME REPORT BY SECTOR - MAP KEY 2000.1

Facility Map Key = 2000.1

Feb 2019

Draw = 85

Market Share Cutoff = 2

Sector Map Key	Sector Share	Expected Volume	Population	Potential	Float	Miles
27	2.74	1,179	1,249	43,013	25.18	.44
28	2.58	1,124	888	43,558	25.05	.37
29	2.31	1,053	989	45,523	24.94	.38
30	2.46	1,520	1,280	61,831	24.97	.31
31	3.38	3,655	2,302	108,179	25.12	.04
32	2.53	104	134	4,126	25.10	.39
33	2.88	675	746	23,440	25.33	.46
34	3.04	858	927	28,240	25.64	.77
35	3.18	1,759	1,179	55,323	25.68	.87
36	3.21	1,362	897	42,489	25.55	.70
37	3.14	1,540	1,158	48,954	25.45	.61
38	3.22	978	690	30,427	25.36	.47
39	2.05	317	353	15,471	25.33	.86
40	2.33	1,452	1,384	62,207	25.61	1.02
Sub Total	2.87	17,575	14,176	612,782	25.30	
Other Sectors	1.01	16,815	33,236	1,661,132	26.22	
TA Total	1.51	34,391	47,412	2,273,914	25.97	
Outside TA		6,069				
Sales Forecast		40,460				

SCENARIO 2B

**A NEW 4,000 SALES AREA SQUARE FOOT COLFAX FOOD CO-OP OPENS
NEAR THE INTERSECTION OF COLFAX AVENUE AND IRVING STREET**

STORES IN OPERATION

Facility Map Key	Name	Forecast ---Feb 2019 ---		Current ----Sep 2016 ----		T.A. Diff.	%	Fcst Sales Area	Draw	Image
		Volume	/SqFt	Volume	/SqFt					
1	Walmart SC			500,000	17.86	-918	0	28,000	10	70
2	Walmart SC			600,000	13.04	-1,306	0	46,000	20	65
3	King Soopers	890,930	17.13	900,000	17.31	-4,989	-1	52,000	55	85
4	King Soopers			800,000	20.51	-1,586	0	39,000	25	111
5	Sprouts	458,826	22.94	460,000	23.00	-1,174	0	20,000	30	118
6	Natural Grocers	159,578	22.80	160,000	22.86	-422	0	7,000	30	117
7	Save A Lot	54,537	5.45	55,000	5.50	-255	-1	10,000	55	61
8	Safeway	470,368	18.09	475,000	18.27	-2,779	-1	26,000	60	97
9	Natural Grocers	139,592	25.85	140,000	25.93	-408	0	5,400	35	122
10	King Soopers			800,000	35.56	-916	0	22,500	15	152
11	King Soopers			730,000	18.72	-783	0	39,000	15	102
2000.2	Colfax Food Coop	63,667	15.92	0	0.00	54,117	0	4,000	85	85
Totals		* 5,661,989		5,620,000		38,581				
Averages		471,832	18.94	510,909	19.06			24,908		99

The low draw for forecast volumes is 29.99

* Forecast total includes low draw stores whose volumes are not shown.

THREE-YEAR GROWTH PATTERN - MAP KEY 2000.2

Facility Map Keys	Name	Forecast ---Feb 2019---		Forecast ---Feb 2020---		Forecast ---Feb 2021---		Draw	Image
		Volume	/SqFt	Volume	/SqFt	Volume	/SqFt		
2000.2	Colfax Food Coop	63,667	15.92	66,930	16.73	70,252	17.56	85	85

Inflation is 0%

CHAIN SUMMARY

Chain Name	# of Facs	-----Chain Total-----				Vol/ SqFt	Avg Image	Market Share
		Volume	Average	Size	Average			
*King Soopers	4	3,217,645	804,411	152,500	38,125	21.10	112	40.29
Safeway	1	470,368	470,368	26,000	26,000	18.09	97	12.41
*Walmart	2	1,097,776	548,888	74,000	37,000	14.83	68	7.38
Sprouts	1	458,826	458,826	20,000	20,000	22.94	118	6.02
Natural Grocers	2	299,170	149,585	12,400	6,200	24.13	119	4.23
Colfax Food Coop	1	63,667	63,667	4,000	4,000	15.92	85	2.38
Save A Lot	1	54,537	54,537	10,000	10,000	5.45	61	1.32
Totals	12	5,661,988		298,900				74.03
Averages			471,832		24,908	18.94		

* Chain includes facilities with draw less than 29.99

STORE VOLUME REPORT BY SECTOR - MAP KEY 2000.2

Facility Map Key = 2000.2

Feb 2019

Draw = 85

Market Share Cutoff = 2

Sector Map Key	Sector Share	Expected Volume	Population	Potential	Float	Miles
14	2.42	1,010	807	41,690	28.04	.73
15	2.98	1,596	984	53,579	24.90	.56
16	2.09	1,546	1,379	73,956	27.94	.85
17	2.36	1,374	1,023	58,270	24.89	.84
24	2.01	1,433	1,662	71,399	25.15	1.10
25	2.21	1,801	1,734	81,656	25.04	.93
26	3.04	1,946	1,239	64,041	25.17	.76
27	4.29	1,846	1,249	43,013	25.18	.44
28	4.05	1,762	888	43,558	25.05	.37
29	3.63	1,654	989	45,523	24.94	.38
30	3.86	2,385	1,280	61,831	24.97	.31
31	5.26	5,694	2,302	108,179	25.12	.04
32	3.97	164	134	4,126	25.10	.39
33	4.51	1,056	746	23,440	25.33	.46
34	4.74	1,339	927	28,240	25.64	.77
35	4.96	2,744	1,179	55,323	25.68	.87
36	5.00	2,124	897	42,489	25.55	.70
37	4.91	2,402	1,158	48,954	25.45	.61
38	5.02	1,526	690	30,427	25.36	.47
39	3.22	498	353	15,471	25.33	.86
40	3.66	2,280	1,384	62,207	25.61	1.02
41	2.80	1,809	1,564	64,691	25.51	1.15
42	2.16	1,775	1,729	82,290	25.51	1.35
43	2.09	422	449	20,201	25.30	1.20
Sub Total	3.45	42,188	26,746	1,224,554	25.51	
Other Sectors	1.14	11,929	20,666	1,049,360	26.52	
TA Total	2.38	54,117	47,412	2,273,914	25.97	
Outside TA		9,550				
Sales Forecast		63,667				

Definitions

Trade Area	The area containing the majority of the population that could contribute to the sales of a store or stores located at a proposed site or sites also referred to as the study area.
Pulling Power	The attraction a store exerts upon the population.
Draw	The portion of a store's total business that is derived from the trade area.
Image	A representations of customers of stores' acceptance levels in the trade area.
P.C.E.	Weekly per capita expenditure for food.
Float	That portion of the potential within the trade area that is not captured by the identified stores.
Barriers	Obstacles that make it more difficult to travel from one area to another. Barriers can be either physical or psychological.
ADT	Average Daily Traffic.

Qualifier

In the use of this market analysis, client acknowledges that while it believes the services to be performed hereunder by Dakota Worldwide Corporation will be a valuable tool in management decision-making, it also understands that an important part of said services involves subjective judgment, which is dependent upon the correctness of the information made available to Dakota Worldwide Corporation. Therefore, client further acknowledges its understanding that Dakota Worldwide Corporation does not guarantee any result from the use of the analysis or other services performed hereunder, nor shall Dakota Worldwide Corporation be responsible for any loss incurred as a result of the use of said analysis or other services.

Furthermore, these projections are based on the conditions identified in the survey. Any change within the trade area, such as the opening or closing of a competitive store or changes in economic conditions, could cause significant variation between these projections and actual sales. The possibility of this occurring increases with time.

Source Data

“Number of Inhabitants,” Colorado, 2010 Census of Population, U.S. Department of Commerce, Bureau of the Census.

“Area Statistics,” Colorado, 2012 Census of Retail Trade, U.S. Department of Commerce, Bureau of the Census.

“PopStats” Synergos Technologies, Inc.